

Attorney Docket No. 2102462-991101

REMARKS

Claims 1-4, 9-12, 18-23, and 34 were pending when last examined, all of which are allowed except for Claim 34. Applicant accepts the allowed claims and requests reconsideration of Claim 34 in light of the above amendment and the remarks below.

Specification

The specification has been amended to correct an obvious typographical error.

Claim Rejections – 35 USC § 103

Claim 34 is rejected under 35 USC § 103(a) as being anticipated by U.S. Patent No. 6,424,831 to Schiff ("Schiff"). In the Office Action mailed on July 25, 2003, the Examiner stated that the reason Claims 1, 9, and 18 are allowed is because they recite "transforming the original signal into a plurality of subchannel signals that each have a lower bit rate than the original signal." Claim 34 was not allowed because it did not recite this limitation.

Claim 34 has been hereby amended to recite, "each of the digital subchannels has a lower bit rate than the original digital multiplexed signal...." This amendment puts Claim 34 in condition for allowance.

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Conclusion

Based on the above amendments and remarks, it is respectfully submitted that all pending claims are in condition for allowance. If the Examiner wishes to discuss any aspect of this application, the Examiner is invited to telephone Applicants' undersigned attorney at 650-833-2121. Any fee due for this Amendment may be charged to Deposit Account No. 07-1896.

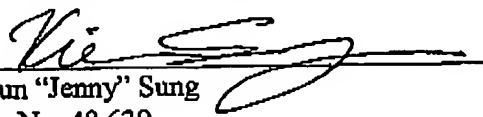
Respectfully submitted,

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By


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